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NATIONAL TREND OF BUSINESS
Lodging Industry

A SERVICE TO THE CLIENTS OF LAVENTHOL & HORWATH

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AUGUST 1983 COMPARED WITH AUGUST 1982

OCCUPANCY RATE INCREASES 3.6 PERCENT;
TOTAL SALES INCREASE 7.5 PERCENT

August trend results provided the first positive change in the national occupancy level since October 1979. Occupancy increased 3.6 percent over last August to 71.0 percent. This is the first month in nearly four years in which one can see a clear reversal from the depressed occupancy levels which have been plaguing the industry. The major factor attributing to this boost in occupancy was a surge in consumer spending which translated into higher demand when compared with last year's low levels. Virtually all sectors of the industry experienced strong increases ranging from a low of 1.1 percent in the West to a high of 8.2 percent in the Southeast. The largest properties and those located in resort areas benefited the most from summer tourists and vacationers. Even hotels in the South Central region which have been through hard times due to the Mexican peso devaluation and disastrous weather conditions fared better. Although their occupancy levels are still decreasing, they are doing so at a much lower rate than over the past few months.

Room sales, food and beverage sales and sales from other sources combined to boost total sales 7.5 percent when compared to August a year ago. Hoteliers in every category of our sample enjoyed good sales growth, ranging from over 3 percent to over 14 percent. Food and beverage cost as a percent of food and beverage sales remained constant from August last year. The total number of food covers increased slightly over one percent, while the average receipt per cover increased from $7.56 to $7.95 when compared to the same month last year.

Year to date analysis shows a national occupancy of 66.3 percent, less than one percent below the same eight month period in 1982. Total sales, as well as its components, have increased at a faster pace this month than since the first quarter of this year. Currently preliminary indications point to occupancy levels rebounding through the end of this year and on into 1984.

		Projections	Actual Last Year
October	1983	67-69%	67.5%
November	1983	60-62%	59.3%
December	1983	51-53%	49.1%

SEASONALLY ADJUSTED OCCUPANCY RATES FOR THE MAJOR CLASSIFICATIONS

	This Month	Percentage Changes*
TOTAL U.S.A.	64.3%	1.2%
AFFILIATION:		
Chain	65.5	2.3
Independent	60.0	– 0.6
AREA:		
Northeast	66.0	– 1.0
Southeast	63.9	0.6
North Central	66.3	9.2
South Central	61.1	2.3
West	73.5	5.1
LOCATION:		
Center City	63.1	5.5
Suburban	65.4	1.3
Highway	65.2	– 4.3
Airport	68.5	6.2
Resort	60.3	0.3
SIZE:		
Under 150 rooms	66.0	– 1.0
150 to 299 rooms	63.9	1.4
300 to 600 rooms	64.3	1.7
Over 600 rooms	65.4	4.4
TYPE:		
Hotel	64.4	4.7
Motor Hotel	65.1	– 0.3
Budget	62.9	– 5.1

*FROM PREVIOUS MONTH
– NO CHANGE

Randell A. Smith, Associate Director
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TREND REPORT AUGUST 1983 COMPARED WITH AUGUST 1982

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	AUG	% CHG	AUG	% CHG	AUG	% CHG	AUG	% CHG
TOTAL	7.5	8.6	4.5	6.9	71.0	3.6	65.3	0.6	$ 51.57	3.9	$ 73.92	2.9
REGION:												
Northeast	11.4	11.3	10.7	7.1	73.1	6.3	45.1	-4.4	$ 71.88	6.9	$100.07	7.0
Southeast	13.7	17.7	5.4	9.9	67.5	8.2	102.1	-1.6	47.82	6.8	71.44	3.1
North Central	13.5	14.2	11.2	13.9	74.6	8.1	50.4	0.8	40.98	4.8	58.03	4.1
South Central	-3.1	-3.2	-3.5	-0.9	65.3	-2.4	48.8	3.2	45.10	-2.1	65.09	-2.0
West	6.7	7.8	3.7	8.3	81.7	1.1	69.2	-0.3	55.77	4.9	78.64	3.9
AFFILIATION:												
Chain	8.0	9.1	4.5	7.2	72.2	3.6	61.6	1.1	$ 50.80	4.1	$ 70.62	3.1
Independent	6.1	7.0	4.3	6.3	66.8	3.7	77.2	-0.5	54.48	3.1	86.29	2.3
LOCATION:												
Center City	7.9	7.8	7.4	6.5	66.1	3.6	50.7	-1.6	$ 61.78	4.1	$ 88.39	4.2
Suburban	3.1	4.2	0.8	-1.0	74.0	3.1	51.6	4.2	45.14	1.3	63.37	0.3
Highway	12.7	13.8	7.5	16.8	75.4	3.9	81.3	1.2	38.00	5.8	49.12	4.8
Airport	3.9	5.0	2.1	1.6	72.9	2.8	34.3	-6.0	47.76	1.2	72.70	0.2
Resort	9.4	12.6	2.4	10.9	70.9	4.6	123.7	0.1	61.31	7.1	94.66	4.0
SIZE:												
Under 150 Rooms	4.0	6.7	-4.6	-1.2	76.0	3.1	76.6	0.5	$ 38.95	4.0	$ 50.38	1.4
150 to 300 Rooms	5.0	6.4	0.6	10.5	70.7	2.9	54.8	-2.5	45.79	3.0	66.07	1.7
300 to 600 Rooms	5.6	6.2	4.8	0.4	67.5	2.6	69.0	0.6	57.27	0.9	85.07	0.4
Over 600 Rooms	14.1	14.4	13.0	11.3	70.2	6.5	67.9	3.2	68.03	5.7	99.45	5.4
TYPE:												
Hotel	7.2	8.2	4.8	4.7	67.7	3.2	59.9	-0.2	$ 62.07	3.9	$ 94.51	2.9
Motor Hotel	8.4	9.5	3.6	14.2	74.3	3.5	72.7	0.7	42.74	4.0	56.69	3.0
*Economy	5.5	6.3	-1.0	-10.1	76.2	7.2	64.8	4.5	31.16	3.1	33.42	2.3

* Economy data is based on a sample of properties taken from the National Trend of Business in the Economy Lodging Industry.

YEAR TO DATE TREND REPORT - AS OF AUGUST 1983

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	AUG	% CHG	AUG	% CHG	AUG	% CHG	AUG	% CHG
TOTAL	2.7	3.5	0.7	3.3	66.3	-0.7	55.5	4.7	$ 51.31	3.4	$ 77.20	2.5
REGION:												
Northeast	5.5	5.6	4.7	6.8	67.1	1.5	39.7	4.2	$ 69.31	5.0	$105.64	4.9
Southeast	11.6	14.8	4.6	9.9	73.4	8.3	93.2	3.9	52.72	3.4	78.84	0.5
North Central	4.3	5.3	2.1	5.8	60.8	1.7	39.7	-2.0	40.41	3.5	64.00	2.4
South Central	-10.5	-10.9	-9.4	-10.9	61.6	-11.0	42.4	2.4	47.16	-0.8	69.61	-0.4
West	5.4	6.4	3.1	6.7	71.0	-0.8	55.7	-	50.73	6.2	73.90	5.3
AFFILIATION:												
Chain	2.9	3.5	1.0	4.5	67.1	-1.0	52.7	5.6	$ 50.08	3.4	$ 73.76	2.7
Independent	2.2	3.6	-	-0.3	63.3	0.8	65.9	1.5	56.42	3.2	91.52	1.8
LOCATION:												
Center City	1.3	1.6	0.1	4.1	62.7	-1.1	44.2	2.1	$ 62.82	2.9	$ 96.48	2.6
Suburban	-2.1	-2.1	-1.9	-3.3	65.5	-3.5	44.2	4.2	45.26	1.0	68.87	1.0
Highway	9.0	9.8	6.0	11.2	68.1	0.9	68.6	9.6	36.40	6.6	48.72	5.8
Airport	0.6	0.9	0.4	-0.9	69.4	-1.3	32.2	-3.9	47.74	1.6	73.39	1.4
Resort	6.6	9.5	1.4	4.4	70.9	2.6	104.7	2.5	64.56	5.6	101.64	2.8
SIZE:												
Under 150 Rooms	1.7	2.3	-0.3	1.8	65.9	-2.7	60.2	3.3	$ 35.63	5.0	$ 46.95	4.5
150 to 300 Rooms	0.8	1.7	-0.9	-0.8	66.7	-0.7	49.4	2.5	45.79	2.3	68.86	1.5
300 to 600 Rooms	0.8	1.4	-0.6	1.2	64.6	-1.7	57.3	4.2	58.91	1.7	92.28	1.0
Over 600 Rooms	7.1	8.4	4.1	8.4	68.2	3.6	58.4	8.6	71.24	2.6	111.28	1.4
TYPE:												
Hotel	1.8	2.5	0.2	2.4	65.1	-1.2	49.7	3.1	$ 63.25	3.1	$101.55	2.4
Motor Hotel	4.8	5.7	2.2	6.7	68.8	0.3	63.6	6.4	42.74	3.7	59.48	2.9
Economy	2.0	2.3	6.9	-18.2	63.4	-1.1	53.9	1.1	26.43	5.0	27.50	4.8

- NO CHANGE

FOOD AND BEVERAGE REPORT - AUGUST 1983 COMPARED WITH AUGUST 1982

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	% CHG
TOTAL	$23.99	$22.97	$ 7.95	$ 7.56	0.35	0.35	0.22	0.22	47.7	47.4	$ 5.32	$ 5.04	1.1
REGION:													
Northeast	$26.16	$23.63	$ 9.73	$ 8.86	0.34	0.33	0.21	0.21	54.8	56.6	$ 7.75	$ 7.28	1.8
Southeast	22.08	20.95	8.24	7.60	0.36	0.36	0.22	0.22	44.6	43.6	4.89	4.50	0.4
North Central	22.98	20.66	6.31	6.12	0.36	0.36	0.23	0.22	45.2	44.7	3.92	3.80	9.9
South Central	21.73	22.51	7.41	7.35	0.35	0.35	0.23	0.22	44.1	43.9	4.90	4.69	-2.7
West	29.02	28.00	8.04	7.75	0.33	0.34	0.22	0.22	48.6	47.1	5.07	4.80	-0.4
AFFILIATION:													
Chain	$21.05	$20.13	$ 7.61	$ 7.22	0.34	0.34	0.22	0.21	47.2	47.1	$ 5.28	$ 4.94	0.6
Independent	36.20	34.70	8.99	8.62	0.35	0.36	0.23	0.23	49.1	48.1	5.48	5.35	2.6
LOCATION:													
Center City	$25.92	$24.14	$ 8.83	$ 8.21	0.34	0.33	0.21	0.21	54.1	53.9	$ 6.58	$ 6.10	1.8
Suburban	20.91	20.74	7.25	7.06	0.36	0.35	0.23	0.23	42.3	42.1	4.54	4.42	-0.7
Highway	15.72	14.62	5.80	5.49	0.37	0.37	0.23	0.23	42.2	43.2	3.24	3.08	1.2
Airport	23.05	22.58	6.93	7.15	0.36	0.35	0.23	0.21	43.2	42.7	4.68	4.66	6.8
Resort	33.01	32.25	9.15	8.46	0.35	0.35	0.22	0.21	42.9	42.5	4.94	4.72	-3.3
SIZE:													
Under 150 Rooms	$23.38	$24.52	$ 6.43	$ 6.28	0.39	0.38	0.25	0.25	40.1	39.9	$ 3.43	$ 3.30	-5.5
150 to 300 Rooms	20.60	20.49	7.00	6.74	0.35	0.36	0.23	0.23	44.3	44.4	4.46	4.25	-1.3
300 to 600 Rooms	25.33	24.16	7.86	7.60	0.34	0.35	0.23	0.22	48.8	49.7	5.54	5.41	1.7
Over 600 Rooms	28.06	24.82	9.88	9.25	0.33	0.32	0.20	0.19	52.5	51.3	6.99	6.52	6.8
TYPE:													
Hotel	$29.62	$28.25	$ 8.63	$ 8.15	0.34	0.34	0.21	0.21	50.1	49.3	$ 6.01	$ 5.60	0.7
Motor Hotel	16.69	16.11	6.34	6.16	0.37	0.36	0.24	0.23	41.1	42.1	3.74	3.69	2.2

YEAR TO DATE FOOD AND BEVERAGE REPORT - AS OF AUGUST 1983

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	% CHG
TOTAL	$29.13	$28.92	$ 8.38	$ 8.05	0.34	0.34	0.22	0.22	44.3	43.6	$ 5.28	$ 5.04	-2.1
REGION:													
Northeast	$34.89	$33.31	$10.17	$ 9.48	0.32	0.33	0.20	0.21	50.3	49.7	$ 7.43	$ 6.95	-1.4
Southeast	26.67	25.50	8.44	8.18	0.34	0.35	0.22	0.22	39.3	39.6	4.83	4.79	2.5
North Central	30.30	29.68	7.23	7.04	0.35	0.36	0.22	0.23	42.7	42.7	4.18	4.08	0.4
South Central	24.82	27.39	7.83	7.81	0.34	0.34	0.22	0.22	42.3	40.3	4.79	4.52	-9.4
West	32.06	31.11	8.45	7.93	0.34	0.34	0.21	0.22	47.9	47.2	5.23	4.84	-1.2
AFFILIATION:													
Chain	$26.31	$26.05	$ 8.08	$ 7.77	0.33	0.34	0.21	0.21	43.7	43.2	$ 5.17	$ 4.93	-2.2
Independent	41.54	41.53	9.18	8.83	0.35	0.36	0.23	0.23	46.1	45.0	5.60	5.37	-1.8
LOCATION:													
Center City	$32.52	$32.48	$ 9.34	$ 8.91	0.32	0.33	0.21	0.21	48.7	47.5	$ 6.46	$ 6.01	-3.6
Suburban	26.41	26.91	7.44	7.31	0.35	0.36	0.23	0.23	41.3	40.4	4.43	4.31	-3.4
Highway	20.31	19.17	6.25	6.02	0.36	0.37	0.23	0.23	38.6	39.0	3.21	3.22	6.8
Airport	25.70	25.60	7.40	7.04	0.35	0.36	0.22	0.22	41.9	42.2	4.46	4.31	-2.6
Resort	38.46	37.93	9.63	9.12	0.34	0.35	0.21	0.22	40.1	39.6	5.34	5.08	-2.5
SIZE:													
Under 150 Rooms	$26.73	$26.81	$ 6.80	$ 6.45	0.39	0.39	0.24	0.24	38.6	38.5	$ 3.61	$ 3.49	-3.2
150 to 300 Rooms	23.95	24.17	7.02	6.74	0.36	0.36	0.23	0.23	42.3	41.9	4.22	4.05	-3.3
300 to 600 Rooms	30.88	31.07	8.55	8.29	0.33	0.34	0.22	0.22	46.1	45.6	5.53	5.32	-2.8
Over 600 Rooms	36.69	35.26	10.69	10.34	0.31	0.32	0.19	0.19	46.0	44.9	7.01	6.65	0.9
TYPE:													
Hotel	$35.19	$35.13	$ 9.07	$ 8.69	0.33	0.34	0.21	0.21	45.6	44.7	$ 5.90	$ 5.54	-3.2
Motor Hotel	20.17	19.74	6.63	6.37	0.36	0.37	0.23	0.23	40.1	40.3	3.79	3.75	0.9

TWELVE MONTH TREND REPORT - AS OF AUGUST 1933

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	AUG	% CHG	AUG	% CHG	AUG	% CHG	AUG	% CHG
TOTAL	1.7	2.3	-	3.3	64.1	-2.1	52.9	4.8	$ 50.59	3.9	$ 76.87	3.2
REGION:												
Northeast	3.8	3.7	3.4	7.2	67.5	-0.9	39.1	3.4	$ 70.44	5.4	$108.09	5.6
Southeast	10.5	13.5	4.3	10.1	68.7	7.5	88.5	4.6	51.23	3.3	78.09	0.6
North Central	2.0	3.2	-0.2	3.6	59.2	-0.3	39.3	-0.3	38.64	4.0	60.80	2.9
South Central	-10.1	-10.5	-9.1	-10.1	59.9	-11.8	41.0	1.5	46.70	0.5	69.60	0.9
West	4.4	5.2	2.5	6.5	68.6	-2.6	54.6	-0.4	49.62	6.5	73.16	5.7
AFFILIATION:												
Chain	1.9	2.4	0.3	4.7	65.0	-2.4	50.2	5.5	$ 49.45	3.9	$ 73.44	3.4
Independent	1.0	2.2	-0.9	-0.2	60.7	-1.1	62.7	2.5	55.31	3.9	91.10	2.7
LOCATION:												
Center City	0.3	0.5	-0.9	4.3	61.9	-2.8	42.9	1.9	$ 63.71	3.6	$ 98.45	3.3
Suburban	-2.8	-3.0	-2.5	-2.2	63.0	-5.4	42.1	2.9	44.43	1.9	68.61	2.1
Highway	7.8	8.4	5.5	10.5	65.3	-0.6	65.4	9.5	34.61	7.0	46.39	6.4
Airport	-1.1	-0.9	-1.4	-1.7	67.0	-2.8	31.4	-4.0	47.07	2.1	72.79	1.9
Resort	6.6	9.2	2.2	4.1	66.5	2.0	99.5	3.0	61.78	5.8	99.25	3.2
SIZE:												
Under 150 Rooms	1.0	1.3	-0.1	1.2	63.6	-4.4	57.4	2.3	$ 34.02	5.8	$ 44.86	5.5
150 to 300 Rooms	-0.4	0.4	-1.8	-1.4	63.7	-2.2	47.3	3.1	45.12	2.7	69.03	1.9
300 to 600 Rooms	-	0.7	-1.5	1.4	62.8	-2.9	54.3	4.0	58.03	2.3	91.85	1.6
Over 600 Rooms	5.7	6.6	3.3	8.7	67.1	1.8	55.4	8.8	72.10	2.9	113.22	2.0
TYPE:												
Hotel	0.8	1.4	-0.6	2.6	63.5	-2.6	47.8	3.2	$ 63.18	3.6	$102.37	3.0
Motor Hotel	3.7	4.3	1.6	6.2	65.2	-1.2	60.3	6.7	42.06	4.1	59.46	3.4
Economy	1.5	1.6	7.6	-9.0	63.0	-3.5	51.8	0.4	25.46	6.3	26.47	6.2

- NO CHANGE

TWELVE MONTH FOOD AND BEVERAGE REPORT - AS OF AUGUST 1983

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	% CHG
TOTAL	$30.17	$30.17	$ 8.64	$ 8.29	0.34	0.34	0.22	0.22	43.8	43.0	$ 5.40	$ 5.11	-3.4
REGION:													
Northeast	$36.35	$35.14	$10.62	$ 9.92	0.32	0.32	0.20	0.21	48.3	47.7	$ 7.39	$ 6.88	-2.7
Southeast	27.53	26.40	8.59	8.29	0.34	0.35	0.22	0.22	40.2	40.2	5.06	4.93	1.2
North Central	31.06	31.13	7.32	7.16	0.35	0.35	0.22	0.23	42.3	42.2	4.15	4.08	-1.6
South Central	25.36	27.90	8.02	7.94	0.34	0.34	0.22	0.22	41.8	39.4	4.84	4.50	-10.3
West	33.26	32.45	8.76	8.19	0.33	0.34	0.22	0.22	46.5	45.8	5.39	4.96	-2.4
AFFILIATION:													
Chain	$27.36	$27.27	$ 8.42	$ 8.08	0.33	0.33	0.21	0.21	43.3	42.6	$ 5.34	$ 5.06	-3.4
Independent	42.32	42.70	9.24	8.85	0.35	0.36	0.23	0.23	45.5	44.2	5.57	5.27	-3.3
LOCATION:													
Center City	$33.92	$34.23	$ 9.74	$ 9.27	0.32	0.32	0.20	0.21	47.6	46.4	$ 6.55	$ 6.07	-5.0
Suburban	27.62	28.32	7.63	7.45	0.35	0.36	0.23	0.23	41.0	39.7	4.50	4.29	-5.1
Highway	20.74	19.66	6.33	6.07	0.36	0.37	0.23	0.24	38.2	38.7	3.26	3.26	5.8
Airport	26.06	26.43	7.45	7.24	0.35	0.35	0.22	0.22	41.5	41.2	4.50	4.38	-3.3
Resort	39.00	38.17	9.62	9.02	0.34	0.35	0.22	0.22	40.3	39.9	5.36	5.01	-2.9
SIZE:													
Under 150 Rooms	$27.49	$27.51	$ 6.83	$ 6.48	0.39	0.39	0.24	0.25	38.3	38.2	$ 3.63	$ 3.50	-3.6
150 to 300 Rooms	25.01	25.47	7.18	6.93	0.36	0.36	0.23	0.23	42.3	41.6	4.31	4.14	-4.4
300 to 600 Rooms	31.68	32.15	8.71	8.41	0.33	0.33	0.22	0.22	45.8	44.7	5.57	5.25	-4.2
Over 600 Rooms	37.90	36.69	11.12	10.66	0.31	0.31	0.19	0.19	44.9	44.0	7.11	6.70	-1.0
TYPE:													
Hotel	$36.23	$36.43	$ 9.33	$ 8.92	0.33	0.33	0.21	0.22	45.0	43.9	$ 5.96	$ 5.56	-4.5
Motor Hotel	21.12	20.79	6.81	6.54	0.36	0.37	0.23	0.23	40.1	40.0	3.92	3.84	-0.1